

Suggested Remarks
Gerry Porta, USAID/OEDG
Business Permit and Licensing System
Assessment Workshop
Holiday Plaza Hotel, Cebu City
February 17, 2006, 3:00 p.m.

Magandang hapon po sa ating lahat.

On behalf of the United States Government, I am delighted to have had this opportunity to join you in this Business Permit and Licensing System Assessment Workshop. USAID is proud to have supported this important activity through the Transparent and Accountable Governance (TAG) Project of The Asia Foundation.

USAID supports the Government of the Philippines in promoting more sustainable and equitable growth. We believe that USAID support in the areas of governance, economic policy reform, conflict reduction, health, environment and education are all

contributing towards creating a more favorable investment climate in the Philippines, particularly in Mindanao where a majority of our resources are focused.

Activities like the local governance component of TAG, which is helping 16 of the 27 cities in Mindanao to improve their business practices and reduce corruption, play an important role in improving the competitiveness of Mindanao and promoting a more equitable distribution of economic opportunities.

Minimizing the cost of doing business and enhancing the responsiveness of local government to business, -especially when taken together with other important factors like the dynamism of the local economy, and the adequacy of infrastructure and human resources,- sends a very strong message to potential investors that your cities are "open for business."

Ultimately, as your cities become more competitive and attract more business activity, the poor gain faster and greater access to the benefits of economic growth and your cities can better address the needs of its residents.

The cities participating in the TAG Project have implemented a variety of reforms. These include reducing opportunities for corruption, strengthening procurement procedures, enhancing the delivery of health care, improving customer service, and reforming the business permit renewal process.

The results so far provide much reason for optimism. In the seven (7) cities that first joined the TAG Project in 2001, namely: Iligan, Marawi, Cotabato, Surigao, General Santos, Samal and Dapitan, significant improvements in the efficiency of operations have occurred. In the area of

business permit renewal, for example, the seven cities have reduced processing time from seven (7) days in 2003 to under a day in 2005. It is also likely that the reforms have reduced corruption since the one-stop-shop process for permit renewals is, quite literally, more transparent. There, office representatives sit in clear view of each other and applicants, severely limiting opportunities for informal payments. There is also no longer a place for "fixers" to speed an inefficient process along. A recent evaluation reported that business people are very pleased with the changes.

Smilar positive changes are taking place in the cities of Oroquieta, Ozamis, Malaybalay, Tacurong, Zamboanga and Koronadal. It is evident from the results of this three-day workshop that further enhancements can be made but I share the optimism of everybody in this room that our twin objectives of reducing opportunities for corruption and

improving customer service in the business licensing process are within reach.

We are here to support your efforts as best we can, and we look forward to hearing more about your progress in the days to come.

Maraming salamat at mabuhay tayong lahat.